

ALABAMA SECURITIES COMMISSION

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Montgomery, Alabama 36130-4700

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Father and Son Arrested for Alleged Violations of the Alabama Securities Act

MONTGOMERY, ALABAMA (December 5, 2007) The Honorable Tim W. Morgan, District Attorney for the 23rd Judicial Circuit, Madison County, Alabama; and, Honorable Joseph P. Borg, Director of the Alabama Securities Commission (ASC), announce the arrests of James L. Butler Jr. and James L. Butler, Sr. for alleged violations of the Alabama Securities Act.

A Madison County Grand Jury convened in November 2007 charged Butler, Jr. with an 11- count indictment including 8 counts of Fraud in Connection with the Sale of Securities and 3 counts for Sale of Unregistered Securities. Butler, Sr. was charged by the same Madison County Grand Jury with a 3- count indictment for Fraud in Connection with the Sale of Securities. The father and son allegedly sold interests in "Jail Busters" in Madison County and the surrounding area.

Butler, Jr. was taken into custody by Special Agents from the Alabama Securities Commission, investigators from District Attorney's office in Madison County and Madison County Sheriff Deputies. Bond was set at \$165,000. Butler, Sr. was later taken into custody later by the same legal authorities and bond was set at \$15,000.

Director Borg said, "Jail Busters was a business that issued bail bonds throughout Alabama. Jail Busters was investigated and lost their license for violations of the Bail Bond Act; during this investigation further evidence alleged misrepresentations were made in connection with the sale of shares of interests in Jail Busters which are violations of the Alabama Securities Act."

The Director of the ASC cautions potential investors to thoroughly scrutinize and research any investment opportunity or offer. Contact the ASC with inquiries concerning securities broker-dealers, agents, investment advisors, investment advisor representatives, financial planners, the registration status of securities, to report suspected fraud or to obtain consumer information.

(NOTE: An indictment itself is not evidence that the defendant(s) committed the crimes charged. The defendant(s) is presumed innocent until the government meets its burden of proving guilt beyond a reasonable doubt in court).

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For more information call Dan Lord, Education and Public Affairs, Manager at 334-353-4858.

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